

Apple Canyon Utility Company
 Lake Wildwood Utilities Corporation
 ICC Docket Nos. 09-0548 and 09-0549

Apple Canyon Lakes Property Owners Association Account - 2009 Billing Data

	Meters	Gallons	Present Rate	Present Revenue	Proposed Rate	Proposed Revenue	Increase	% Increase
5/8"	2		\$ 5.51	\$ 132.24	\$ 29.86	\$ 716.64	\$ 584.40	441.9%
1"	1		\$ 6.61	79.32	\$ 35.83	429.96	350.64	442.1%
1.5"	3		\$ 7.16	257.76	\$ 38.81	1,397.16	1,139.40	442.0%
3"	1		\$ 8.27	99.24	\$ 44.82	537.84	438.60	442.0%
Usage		1,789,118	\$ 4.66	8,337.29	\$ 9.09	16,263.08	7,925.79	95.1%
Total				\$ 8,905.85		\$ 19,344.68	\$ 10,438.83	117.2%

Apple Canyon Utility Company
Lake Wildwood Utilities Corporation
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Lake Wildwood Association Account - 2009 Billing Data

	Meters	Gallons	Present Rate	Present Revenue	Proposed Rate	Proposed Revenue	Increase	% Increase
5/8"	6		\$ 10.34	\$ 744.48	\$ 45.07	\$ 3,245.04	\$ 2,500.56	335.9%
1"	3		\$ 19.69	708.84	\$ 85.82	3,089.52	2,380.68	335.9%
1.5"	1		\$ 36.25	435.00	\$ 157.99	1,895.88	1,460.88	335.8%
Usage		1,458,090	\$ 3.62	5,278.29	\$ 9.09	13,254.04	7,975.75	151.1%
Total				\$ 7,166.61		\$ 21,484.48	\$ 14,317.87	199.8%

Apple Canyon Utility Company
Statement of Operating Income with Adjustments
For the Test Year Ending December 31, 2002

Line No.	Description	Company Pro Forma Present (Co. Sch. B)	Adjustments (Appendix A Sch. 2 AC)	Pro Forma Present (Cols. b+c)	Company Proposed Increase (Co. Sch. B)	Gross Revenue Conversion Factor	Proposed Rates With Adjustments (Cols. d+e+f)	Adjustment To Proposed Increase	Operating Statement per Order (Cols. g+h)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Operating Revenue	\$ 252,301	\$ -	\$ 252,301	\$ 133,575	\$ (9,735)	\$ 376,141	\$ (103,835)	\$ 272,306
2	-	-	-	-	-	-	-	-	-
3	Total Operating Revenue	252,301	-	252,301	133,575	(9,735)	376,141	(103,835)	272,306
4	Uncollectible Accounts	7,079	-	7,079	3,782	(277)	10,584	(2,939)	7,645
5	Maintenance Expenses	108,844	(16,767)	92,077	-	-	92,077	-	92,077
6	General Expenses	75,271	(9,732)	65,539	-	-	65,539	-	65,539
7	Depreciation	45,326	(166)	45,160	-	-	45,160	-	45,160
8	Amortization of CIAC	(9,878)	-	(9,878)	-	-	(9,878)	-	(9,878)
9	Taxes Other Than Income	14,602	(244)	14,358	401	(401)	14,358	-	14,358
10	-	-	-	-	-	-	-	-	-
11	-	-	-	-	-	-	-	-	-
12	-	-	-	-	-	-	-	-	-
13	-	-	-	-	-	-	-	-	-
14	-	-	-	-	-	-	-	-	-
15	Total Operating Expense								
16	Before Income Taxes	241,244	(26,909)	214,335	4,183	(678)	217,840	(2,939)	214,901
17	State Income Tax	(500)	740	240	6,898	(4,640)	2,498	(1,893)	605
18	Federal Income Tax	(9,567)	13,819	4,252	44,563	(4,417)	44,398	(33,661)	10,737
19	Deferred Taxes and ITCs Net	(1,625)	-	(1,625)	-	-	(1,625)	-	(1,625)
20	Total Operating Expenses	229,552	(12,350)	217,202	55,644	(9,735)	263,111	(38,493)	224,618
21	NET OPERATING INCOME	\$ 22,749	\$ 12,350	\$ 35,099	\$ 77,931	\$ -	\$ 113,030	\$ (65,342)	\$ 47,688
22	Rate Base (Appendix A, Schedule 3 AC, Column (d))								\$ 561,696
23	Overall Rate of Return								8.49%
24	Revenue Change (Col. (i) Line 3 minus Col. (d), Line 3)								\$ 20,005
25	Percentage Revenue Change (Col. (i), Line 24 divided by Col. (d), Line 3)								7.93%

Lake Wildwood Utilities Corporation
Statement of Operating Income with Adjustments
For the Test Year Ending December 31, 2000

Line No.	Description	Company Pro Forma Present (Co. Sch. C)	Staff Adjustments (Appendix A, Sch. 2)	Staff Pro Forma Present (Cols. B+C)	Company Proposed Increase (Co. Sch. C)	Staff Gross Revenue Conversion Factor	Proposed Rates With Staff Adjustments (Cols. D+E+F)	Adjustment To Proposed Increase	Staff Pro Forma Proposed (Cols. G+H)
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
1	Water Service Revenues	\$ 182,420	\$ 2,999	\$ 185,419	\$ 58,408	\$ (14,669)	\$ 229,158	\$ (31,250)	\$ 197,908
2	Miscellaneous Revenues	15,903	255	16,158	-	-	16,158	1,058	17,216
3	Total Operating Revenues	198,323	3,254	201,577	58,408	(14,669)	245,316	(30,192)	215,124
4	Uncollectible Accounts	44,191	(34,555)	9,636	14,149	(12,058)	11,727	(1,443)	10,284
5	Maintenance Expenses	52,619	2,052	54,671	-	-	54,671	-	54,671
6	General Expenses	45,193	(3,410)	41,783	-	-	41,783	-	41,783
7	Depreciation	17,352	11,723	29,075	-	-	29,075	-	29,075
8	Amortization of CIAC	(1,330)	-	(1,330)	-	-	(1,330)	-	(1,330)
9	Taxes Other Than Income	10,734	(47)	10,687	175	(175)	10,687	-	10,687
10	-	-	-	-	-	-	-	-	-
11	-	-	-	-	-	-	-	-	-
12	-	-	-	-	-	-	-	-	-
13	-	-	-	-	-	-	-	-	-
14	-	-	-	-	-	-	-	-	-
15	Total Operating Expense	168,759	(24,237)	144,522	14,324	(12,233)	146,613	(1,443)	145,170
16	Before Income Taxes	168,759	(24,237)	144,522	14,324	(12,233)	146,613	(1,443)	145,170
17	State Income Tax	457	161	618	3,218	(2,437)	1,399	(539)	860
18	Federal Income Tax	1,973	9,031	11,004	13,894	1	24,899	(9,591)	15,308
19	Deferred Taxes and ITCs Net	(300)	-	(300)	-	-	(300)	-	(300)
20	Total Operating Expenses	170,889	(15,045)	155,844	31,436	(14,669)	172,611	(11,573)	161,038
21	NET OPERATING INCOME	\$ 27,434	\$ 18,299	\$ 45,733	\$ 26,972	\$ -	\$ 72,705	\$ (18,619)	\$ 54,086
22	Staff Rate Base (Appendix A, Schedule 3, Column (D))								\$ 550,783
23	Staff Overall Rate of Return (ICC Staff Exhibit 2.0, Schedule 2.10)								9.82%
24	Revenue Change (Col. (I) Line 3 minus Col. (D), Line 3)								\$ 13,547
25	Percentage Revenue Change (Col. (I), Line 24 divided by Col. (D), Line 3)								6.72%

**APPLE CANYON UTILITY COMPANY
LAKE WILDWOOD UTILITIES CORPORATION
Docket Nos. 09-0548 and 09-0549
Responses to Staff Data Requests CLB 1.01 through 1.19**

CLB-1.01 Please provide a detailed calculation of how the \$25 minimum charge for non sufficient fund checks issued was determined. Please provide all supporting documentation, reasoning and calculations.

RESPONSE: The current NSF fee is \$10. Generally, banks charge \$25-\$35 for NSF fees. Since the Company uses a centralized cash management system, it is proposing that miscellaneous charges, i.e. NSF fees, are more consistent throughout the organization.

Also, Section 3-806 of the Illinois Commercial Code (*810 ILCS 3-806*) provides:

Any person who issues a check or other draft that is not honored upon presentment because the drawer does not have an account with the drawee, or because the drawer does not have sufficient funds in his account, or because the drawer does not have sufficient credit with the drawee, shall be liable in the amount of \$25, or for all costs and expenses, including reasonable attorney's fees, incurred by any person in connection with the collection of the amount for which the check or other draft was written, whichever is greater, and shall be liable for interest upon the amount of the check or other draft at the rate provided in subsection (1) of Section 4 of the Interest Act. Costs and expenses shall include reasonable costs and expenses incurred in the nonlitigated collection of the check or other draft.

Please note that the Company has discovered that Apple Canyon customers were being charged \$15 instead of \$10 for NSF fees since June of 2008. The error has been corrected and refunds are being issued to the affected customers.

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**APPLE CANYON UTILITY COMPANY
LAKE WILDWOOD UTILITIES CORPORATION
Docket Nos. 09-0548 and 09-0549
Responses to Staff Data Requests CLB 1.01 through 1.19**

CLB-1.05 Please provide all supporting documentation, reasoning and calculations for a reconnection fee of \$20 (Apple Canyon) and \$37.50 (Lake Wildwood).

RESPONSE: The Company believes that Staff meant to refer to the proposed \$37.50 reconnection fee for Apple Canyon.

The current reconnection fee is \$20. Since the Company uses a centralized cash management system, it is proposing that miscellaneous charges, i.e. Reconnection fees, are more consistent throughout the organization.

Please note that the Company has discovered that Lake Wildwood customers were being charged \$35 instead of \$20 for reconnection fees since June of 2008. The error has been corrected and refunds are being issued to the affected customers.

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**APPLE CANYON UTILITY COMPANY
LAKE WILDWOOD UTILITIES CORPORATION**

**Docket Nos. 09-0548 and 09-0549
Responses to Apple Canyon Lake Property Owner's Association
Data Requests 1.1 through 1.61**

1.42 Please describe in detail the cause of the increase in UFW from the fourth quarter 2008 to the second quarter 2009 and provide a copy of all documents relating to the increase in UFW.

RESPONSE: Many of the service lines (piping from water mains to residence) in ACUC are comprised of old material. This material becomes brittle as it ages and breaks occur. Many times the rocky terrain in ACUC does not allow these leaks to surface. As mentioned in Mr. Burris' testimony, ACUC continues to monitor its UFW percentages as to comply with the tariff sheet submitted to the commission on January 26, 2007.

An additional leak study was performed in the fourth quarter of 2009 by M.E. Simpson Company which revealed additional leaks. Repairs of these leaks are currently underway.

Please refer to **Attachment A ACPOA DR 1 42** for documentation.

ACUC would like to take this opportunity to correct information stated on page 19 of Mr. Burris' testimony. After further investigation it was noticed that the UFW percentages listed were miscalculated. The list below is the corrected information:

2008	UFW
1 st quarter	49.1%
2 nd quarter	50.9%
3 rd quarter	48.6%
4 th quarter	14.1%
2009	
1 st quarter	51.2%
2 nd quarter	62.7%

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**APPLE CANYON UTILITY COMPANY
LAKE WILDWOOD UTILITIES CORPORATION**

**Docket Nos. 09-0548 and 09-0549
Responses to Apple Canyon Lake Property Owner's Association
Data Requests 1.1 through 1.61**

1.45 Please provide all documents relating to all planned capital improvements for ACUC for the years 2009, 2010, 2011 and 2012, including a description of each project and its estimated costs.

RESPONSE: At this time ACUC has no planned capital improvement projects budgeted for any of the above years.

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**APPLE CANYON UTILITY COMPANY
LAKE WILDWOOD UTILITIES CORPORATION**

**Docket Nos. 09-0548 and 09-0549
Responses to Lake Wildwood Association, Inc. Data Requests 1.1 through 1.60**

1.43 Please provide all documents relating to all planned capital improvements for LWUC for the years 2009, 2010, 2011 and 2012, including a description of each project and its estimated costs.

RESPONSE: Lake Wildwood Utilities currently has no planned capital improvements for the years of 2009, 2010, 2011, or 2012.

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